

TESTIMONY
to the
PHHS Joint Appropriations Subcommittee
in Support of the CFSD 08/09 Budget
29th January 2007

Good Morning Madam Chair and Members of the Committee and Staff.

My name is Jeffrey Tiberi. I am the Associate Director of Intermountain, a nonprofit, nationally recognized treatment center that serves Montana children with moderate to severe emotional disturbance. Through our Campus Based Program, Intensive Day Treatment Program, the Partnership for Children, our Adoption and Family Support Program, and our outpatient Child & Adolescent Psychiatric Clinic, we serve about 300 children throughout western Montana.

We started an adoption program a number of years ago to help serve the children who have moderate to severe emotional disturbances. We work with the Department as partners to help find permanent families for these children. We have a "back-up plan" for children who cannot make it in an adoptive or foster placement. These children are served in our Campus Based program. They are ages 4 – 12, in state custody, and have typically failed in outpatient therapy and/or day treatment. On average, these children have been in eight placements of foster homes, psychiatric hospitals, group care, and/or shelter care before reaching our doors.

We come today as a 100 year old Montana grown organization to ask you, the "150 Member Board of Directors for Montana":

1. To fully fund the Child and Family Services Division;
2. To bring to you attention again the looming unbundling issues that you have heard about in this committee. If other states may be seen as a barometer, the Department will be coming back to you for a supplemental appropriation before the 2009 Session. We ask you to consider making your colleagues aware of this issue at the appropriate time;
3. To support Montana Children's Initiative (MCI) in its request for a rate increase that better reflects the cost of providing services; and
4. To note our support for the goals and measurable objectives of the Subsidized Adoption Program as presented by the Department.

1. We are committed to serving children and families and urge you to fund the critical services provided by the Child and Family Services Division.

2. The federal Center for Medicaid and Medicare Services (CMS) is tightening its definition of "medical necessity" and prohibiting further use of a **daily** "bundled rate." Unbundling has occurred in several states, (26 have been put on notice by CMS) and Montana has been verbally informed (7/06) that the deadline for the unbundling of services is October 1, 2007.

When unbundling took place in Colorado in 2006, the state lost \$36 million in federal money for children's mental health, and the system remains in chaos. Colorado was a 50/50 federal match, and since Montana's 2007 match is 69.1%/30.9%, the impact will be proportionally even more significant to the general fund.

The State is aware of the unbundling trend, and we encourage you to look at the experiences in other states for clues as to what could or will happen to the children's adoption and foster systems in Montana. We remain willing to work with the Department in any way to transition to these new regulations.

The children's system cannot afford to be thrown into chaos. The Administrative Rules that have been developed over the years to regulate service providers have not been reviewed for many years. In certain cases they are not logical and could be described as patchwork; thus the transition to a different approach (i.e., unbundling) will not be smooth. The ARMs cannot be redone overnight and assign different dollar amounts for services. Because of the confusion in Colorado providers are seeking more out-of-state children to fill their beds. To a great extent the decisions you make here drive the level and quality of care for Montana's children.

3. We appreciate the efforts last Session concerning provider rate increases. Costs continue to increase for all of us, and we are not immune to supply and demand rules in the marketplace. Providing quality care and keeping quality staff are priorities. Continuing to shift cost increases to charity care is not in the best interest of children. We support MCI's proposal for provider rate increases of 4% each year of the biennium.

4. As the committee noted last week in the budget presentation, there is great concern over disrupted adoptions. We, too, are very concerned about the 49 adoptions that were disrupted, and we support the goal of the CFSD to provide services to families after adoption. The private sector is eager to work with the State of Montana in addressing this problem. In this regard, we recently were able to find grants from two family foundations to begin developing what we call the Intermountain Permanency Project (IPP). The IPP will look at ways to provide training to these parents by examining what is already out there, and developing new training that will best serve families. We will focus on practical training such as how to handle the Christmas holidays, what to say when Mikey asks about his bio Mom and Dad, or ways to use supportive language. We will also be looking at ways to provide a crisis support teams around the State of Montana. On late Saturday night when Mom and Dad and Billy are at loggerheads they will have someone to call and ask for help. We are in the research stages now and will be moving to curriculum development in late spring or early summer. The Department has been providing valuable assistance as we move forward with this project.

We appreciate the opportunity to speak to these issues and urge your support of Montana's children.

Thank you for your time.

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